Reform Snapshot

The Council has developed five questions to guide postsecondary reform:

- 1. Are more Kentuckians ready for postsecondary education?
- 2. Are more students enrolling?
- 3. Are more students advancing through the system?
- 4. Are we preparing Kentuckians for life and work?
- 5. Are Kentucky's communities and economy benefiting?

These questions are posed in the Council's Action Agenda, the document that serves as the "strategic implementation plan" required by HB 1. They explicitly link the work of the state's postsecondary institutions to the needs of Kentucky. The five questions express the Council's commitment to expand Kentuckians' access to postsecondary education and to ensure that the system improves lives and strengthens communities.

In March 2001, the Council established a set of key indicators to help answer these questions. Each indicator provides a specific, measurable objective for postsecondary reform, established in consultation with the institutions and other reform partners. Some indicators (such as the percentage of Kentuckians with a baccalaureate degree or higher) are broad, systemwide measures, but others (such as retention and graduation rates) are specific to individual postsecondary institutions. The Council staff regularly reports progress toward performance goals to the Council. Detailed information about each of the key indicators is provided in Appendix A, and is available to the public via the Council's key indicator website, www.cpe.state.ky.us/KeyInd/index.asp.

In July 2003, the Council staff began work on the first systematic revision of the key indicators. The revision process has several goals:

- Reducing the number of indicators to allow the Council, the institutions, and other reform partners to concentrate their efforts on measures most central to the public agenda.
- Further aligning Kentucky's performance measures with national accountability initiatives.
- Establishing new goals using updated information.

The Council approved the revised key indicators at its November 2003 meeting.

National Recognition for Reform

In a comprehensive assessment of postsecondary reform progress released by the Prichard Committee for Academic Excellence in October 2002, Aims McGuinness of the National Center for Higher Education Management Systems noted that "the CPE's use of the five questions to frame indicators of progress toward reform has become a model for states across the U.S." Members of the Council staff have been invited to present Kentucky's public agenda in other states (New Mexico and California) and at national conferences and symposia (National Conference of State Legislatures, National Governors' Association, State Higher Education Executive Officers, National Center for Public Policy and Higher Education, and National Communications Association). The Council also has hosted government and higher education officials from England, Ireland, and China who have visited Kentucky to learn more about the public agenda, the initiatives surrounding its implementation, and the accomplishments of the first five years.

The 2002 NCHEMS report characterizes Kentucky's progress toward postsecondary reform as:

. . . nothing short of remarkable. To a striking degree the reforms have addressed most of the issues identified just five years earlier and established a foundation for step-by-step progress over the next decade and beyond. Perhaps the most profound change over the past five years has been a change in expectations and frame of mind—among students, parents, business and civic leaders, postsecondary education leaders, and the Commonwealth's policy

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Other evidence of Kentucky's progress comes from *Measuring Up 2002: The State-by-State Report Card for Higher Education* published by the National Center for Public Policy and Higher Education. Kentucky was one of two states (the other is Utah) to show progress on every category of the national report card: preparation, participation, affordability, completion, and benefits. Nevertheless, Kentucky received a grade of "C" in each, suggesting that while significant progress is being made, compared to other states the Commonwealth is still behind.

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An Overview of Progress

The following performance indicators—taken from the Council's accountability system, the NCHEMS report, *Measuring Up 2002*, census data, and other sources—provide a snapshot of Kentucky's recent progress in implementing the reforms set in motion by HB 1.

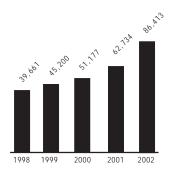
Question 1: Are more Kentuckians ready for postsecondary education?

Highlights:

- According to the Current Population Survey published by the U.S. Census
 Bureau, the percent of adults in Kentucky aged 25 and older without a high
 school diploma or GED dropped from 22.1 percent in 1998 to 19.2 percent
 in 2002. While Kentucky's rate improved between 2000 and 2002, the
 national rate remained unchanged, bringing the state closer to its longterm goal of reaching the national average.
- Kentuckians' average score on the ACT improved even as a higher percentage of high school students took the exam.

 There has been a 115 percent increase in adult education enrollment since 2000.

Adult Education Enrollment



Concerns:

- Kentucky's grade on Measuring Up's preparation category dropped from a C in 2000 to a C- in 2002, indicating that Kentucky's progress did not keep pace with progress in top-performing states.
- Kentucky's grade on Measuring Up's affordability category dropped from a B
 in 2000 to a C in 2002, indicating that progress in top-performing states
 outpaced Kentucky's. Among the Measuring Up affordability indicators,
 Kentucky's lowest score was in state need-based aid.

Question 2: Are more students enrolling?

Highlights:

- Undergraduate enrollment in Kentucky's public and independent institutions has risen more than 20 percent since 1998, to 193,638 in fall 2002.
 This level of enrollment increase exceeds the pace necessary to reach
 Kentucky's long-term enrollment goal: 240,000 undergraduates by 2015.
- In 1996, 36 percent of ninth-graders enrolled in college within four years.

 By 2000, the rate rose to 38 percent, exceeding the national average.
- The percentage of GED recipients enrolling in college within two years increased from 12.7 percent in 2000 to 17.8 percent in 2002.
- Enrollment in the Kentucky Virtual University increased from 235 students in fall 1999 to over 9,810 students in fall 2002.

Concerns:

Kentucky's college-going rate of 38 percent lags well behind the rate of 54
percent achieved by top-performing states, as reported in *Measuring Up*,
the national report card.

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Question 3: Are more students advancing through the system?

Highlights:

- Figures from the Current Population Survey indicate the percentage of Kentuckians with a bachelor's degree rose from 20.1 percent in 1998 to 21.6 percent in 2002.
- The systemwide retention rate rose from 65.9 percent in 2001 to 68.3 percent in 2002.
- In 2002, the six-year graduation rate for bachelor's degree students was 43.5 percent, well above its 1998 level of 36.7 percent.

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Concerns:

- While Kentucky has made considerable progress on many measurements
 relative to student progress, "leakage" continues at key points of the
 education pipeline. According to the National Information Center for
 Higher Education Policymaking and Analysis, for every 20 ninth graders, 13
 graduate from high school, 8 enter college, and 3 graduate within six
 years.
- In 2000 (the most recent year for which comparisons are available),
 Kentucky ranked 43rd in the graduation rate at its public universities.
- Kentucky continues to rank near the bottom (43rd) among the 50 states in the percentage of the adult population with at least a bachelor's degree.
- While the number of community and technical college transfers increased between 2001 and 2002 to 2,877, fewer students transferred in 2002 than transferred in 1998.

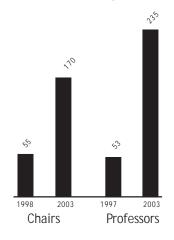
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Question 4: Are we preparing Kentuckians for life and work?

Highlights:

As measured by the 2001 National Survey of Student Engagement, students
at Kentucky universities give their institutions high marks in student
interactions with faculty members and enriching educational experiences.

Bucks for Brains Endowed Chairs and Professors as of June 30, 2003



 KCTCS awarded 9,022 certificates, diplomas, and associate degrees in 2001-02, a 33.3 percent increase over the previous year.

Concerns:

- Kentucky and all other states received an "incomplete" on the student learning category in *Measuring Up* in 2000 and 2002. There is still no common set of data that would allow the National Center to measure student learning at the state level. However, Kentucky was featured in an essay on statewide measurements of student learning because it is a leader in collecting the right data.
- In 2002, Kentucky ranked 39th in the number of bachelor's degrees produced per 100 undergraduates.

Question 5: Are Kentucky's communities and economy benefiting?

Highlights:

- By the end of its third round, the Bucks for Brains program will have dedicated \$700 million to the endowments of the public universities. The number of endowed chairs rose from 55 in 1997 to 170 in 2003; the number of endowed professorships rose from 53 to 235.
- At \$67.90 per capita in 2000, Kentucky increased its research and development spending by 33.6 percent between 1996 and 2000, exceeding the national average increase of 18.7 percent.
- From 1990 to 2000, Kentucky's per capita income increased from 77.3
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Concerns:

 Kentucky's research and development spending per capita is well below the national average of \$106.50.

- Despite the high rate of increase in per capita income, Kentucky ranks 41st.
- In 2002, Kentucky ranked 42nd among the 50 states on the Progressive Policy Institute's New Economy Index, which measures the degree to which state economies incorporate workforce training, knowledge jobs, globalization, and innovation.